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To: Examiner Paul Durand
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Re: Application No. 10/069,986
From: Justin Cassell
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Date: May 7, 2004**Confidential/Privileged**

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Thank you, BACON & THOMAS, PLLC.

**UNOFFICIAL COMMUNICATION - NOT FOR ENTRY NOR TO BE TREATED
AS A REPLY TO AN OFFICE ACTION**

As requested, I have attached proposed claim amendments for claims of the present application. Please note that it is the applicants' contention, as detailed in the reply to the last Office Action, that neither the Pannini disclosure nor the Zipf disclosure describe or suggest a deposit device that is arranged for selective deposition of loose and strapped sheet material. The proposed amendment to claim 1 incorporates the subject matter of claim 2 and further clarifies the first and second operating modes. The amendment to claim 1 is meant to parallel the allowable subject matter of claim 15 indicated in the last Office Action.

Please contact should you have any questions. I will make the scheduled telephone call on Tuesday, May 11, 2004 at 10:00 am.

Best Regards,


Justin Cassell

PROPOSED CLAIM AMENDMENT

1(Currently Amended). Apparatus for depositing loose sheet material such as papers of value and bank notes, comprising a transport apparatus arranged to transport the sheet material, and a stacking unit for depositing the sheet material into a deposit device as well as a strapping unit, wherein the deposit device is arranged for selective deposition of loose and strapped sheet material[.];

wherein the deposit device includes a movable plate positioned above a deposit bin in a first operating mode for strapping of sheet material, and positioned outside the area of the deposit bin in a second operating mode for direct deposit of loose sheet material into a deposit bin of the deposit device.

Claim 14 would incorporate the subject matter of claim 15, which parallels the language of claim 2.